

Office of the
Legislative Fiscal Analyst

FY 2005 Budget Recommendations

Joint Appropriations Subcommittee for
Executive Offices and Criminal Justice

Utah Department of Corrections
Bureau of Clinical Services

Contents:

- 1.0 Summary
- 2.0 Issues
- 3.0 Programs
- 4.0 Additional Information

1.0 Summary: Medical Services

Summary

The Utah Department of Corrections Bureau of Clinical Services provides medical care for those who are incarcerated in facilities owned, operated or contracted by the State. It does so through doctors, nurses, dentists and aids who work directly for UDC, as well as through contracts with private health care providers such as the University of Utah Medical Center. The Bureau is accredited by the National Commission on Correctional Health Care.

	Analyst FY 2005 Base	Analyst FY 2005 Changes	Analyst FY 2005 Total
Financing			
General Fund	16,172,200		16,172,200
Dedicated Credits Revenue	151,500		151,500
Beginning Nonlapsing	375,600		375,600
Closing Nonlapsing	(375,600)		(375,600)
Total	<u>\$16,323,700</u>	<u>\$0</u>	<u>\$16,323,700</u>
Programs			
Medical Services	16,323,700		16,323,700
Total	<u>\$16,323,700</u>	<u>\$0</u>	<u>\$16,323,700</u>
FTE/Other			
Total FTE	155.7	0.0	155.7
Vehicles	4	0	4

2.0 Issues: Medical Services

2.1 Interim Study Concludes No Savings from Privatization

A consultant study contracted by the Office of the Legislative Fiscal Analyst during the 2003 interim found that levels of care and associated costs are in-line with those that would likely be experienced with private contractors. The consultant did not recommend privatization of medical services for inmates.

2.2 Non-lapsing Intent Language

In the past, the Legislature granted the Bureau of Medical Services permission to carry into the next year spending authority that remains unused at the end of a given fiscal year. Such “non-lapsing” authority has been given via intent language in the initial appropriation. As a matter of policy, the Analyst recommends reserving non-lapsing intent language for supplemental action, when agencies have more detailed accounting of carry-forward needs.

3.0 Medical Services

Recommendation

The Analyst recommends \$16,323,700, including \$16,172,200 from the General Fund, for Department of Corrections Bureau of Clinical Services in FY 2005.

	2003 Actual	2004 Estimated*	2005 Analyst	Est/Analyst Difference
Financing				
General Fund	15,943,900	16,172,200	16,172,200	
General Fund, One-time		34,500		(34,500)
Dedicated Credits Revenue	141,200	151,500	151,500	
Transfers - Commission on Criminal and .	119,500	117,900		(117,900)
Beginning Nonlapsing	550,000	375,600	375,600	
Closing Nonlapsing	(375,600)	(375,600)	(375,600)	
Lapsing Balance	(719,000)			
Total	\$15,660,000	\$16,476,100	\$16,323,700	(\$152,400)
Expenditures				
Personal Services	8,585,000	10,403,000	10,373,400	(29,600)
In-State Travel	1,300	700	700	
Current Expense	2,838,200	2,881,800	2,764,000	(117,800)
DP Current Expense	629,900	127,200	127,200	
Capital Outlay	78,300			
Other Charges/Pass Thru	3,527,300	3,063,400	3,058,400	(5,000)
Total	\$15,660,000	\$16,476,100	\$16,323,700	(\$152,400)
FTE/Other				
Total FTE	153.0	155.7	155.7	0.0
Vehicles	4	4	4	0

*Non-state funds as estimated by agency

Purpose

UDC is required by federal law to provide medical, dental and mental health care to those incarcerated by the state. The Bureau of Clinical Services (BCS) provides health care at the Draper prison, and in other settings usually under contractual arrangement. Health care provided at the Gunnison facility is reflected in the Gunnison budget.

Study does not recommend privatization

During the 2003 General Session, Legislators debated the efficacy of BCS in comparison to a contracted private provider. The Executive Offices and Criminal Justice Appropriations Subcommittee requested that the Legislature fund a consultant study of BCS to determine whether a private contractor could provide the same or improved service at lower cost.

In November, 2003, Jacqueline Moore and Associates presented its findings to the Executive Appropriations Committee. Moore concluded that “there would likely be no significant improvements made to the quality and level of health services provided to inmates by privatizing the health care services. Current staffing patterns and compensation rates for health personnel, as well as costs for pharmaceuticals including psychotropic medications, are largely in-line with those that would likely be proposed by private vendors.”¹

¹ Moore, Jacqueline et al. *Analysis of Cost and Service within the Utah Department of Corrections Bureau of Clinical Services*. Jacqueline Moore and Associates. p. 5.

Moore also provided a number of recommendations on ways to improve operations in BCS. The recommendations can be found beginning on page six of the study, which is included as an appendix to this document.

Better information on needs recommended before Legislature grants non-lapsing authority

In many of the past years, the Legislature gave the BCS blanket approval to carry forward funds from one year to the next. The Analyst understands that the ability to carry unspent funds from year to year allows agencies to upgrade equipment and provide for long term planning. However, the Analyst believes such authorization should be tied to specific projects and approved by the legislature in accordance with the Budgetary Procedures Act:

UCA 63-38-8.1(3) (a) Each agency that wishes to preserve any part or all of its appropriation balance as nonlapsing shall include a one-time project's list as part of the budget request that it submits to the governor and the Legislature at the annual general session of the Legislature immediately before the end of the fiscal year in which the agency may have an appropriation balance.

Given that BCS last year received non-lapsing authority for FY 2004, there is no requirement for a detailed accounting of carry-forward projects to be included in a supplemental appropriation. For FY 2005 the Analyst recommends that no carry-forward authority be provided until the 2005 Legislative session, when BCS will have a better idea of what balances will be available.

4.0 Additional Information: Medical Services

4.1 Funding History

	2001	2002	2003	2004	2005
Financing	Actual	Actual	Actual	Estimated*	Analyst
General Fund	16,940,500	17,260,500	15,943,900	16,172,200	16,172,200
General Fund, One-time				34,500	
Federal Funds	958,700				
Dedicated Credits Revenue	121,000	151,500	141,200	151,500	151,500
Transfers - Commission on Criminal and	700,300	567,300	119,500	117,900	
Beginning Nonlapsing	6,300	12,000	550,000	375,600	375,600
Closing Nonlapsing	(12,000)	(550,000)	(375,600)	(375,600)	(375,600)
Lapsing Balance			(719,000)		
Total	\$18,714,800	\$17,441,300	\$15,660,000	\$16,476,100	\$16,323,700
Programs					
Medical Services	18,714,800	17,441,300	15,660,000	16,476,100	16,323,700
Total	\$18,714,800	\$17,441,300	\$15,660,000	\$16,476,100	\$16,323,700
Expenditures					
Personal Services	11,026,000	10,429,500	8,585,000	10,403,000	10,373,400
In-State Travel	5,500	2,000	1,300	700	700
Out of State Travel	16,400	4,700			
Current Expense	4,155,200	3,660,100	2,838,200	2,881,800	2,764,000
DP Current Expense	142,900	347,100	629,900	127,200	127,200
DP Capital Outlay		30,000			
Capital Outlay	6,000	200	78,300		
Other Charges/Pass Thru	3,362,800	2,967,700	3,527,300	3,063,400	3,058,400
Total	\$18,714,800	\$17,441,300	\$15,660,000	\$16,476,100	\$16,323,700
FTE/Other					
Total FTE	240	154	153	156	156
Vehicles	3	4	4	4	4

*Non-state funds as estimated by agency.